

ducted, in lieu of the foregoing, additions to reserves for bad debts, under such rules as the Comptroller may prescribe. If the Comptroller at any time shall deem the reserve excessive, he may restore such excess to the income either in a subsequent year or as a part of the income of the taxable year in which deducted.

224(j) (1) A reasonable allowance for exhaustion, wear and tear of property used in trade or business, including a reasonable allowance for obsolescence, and in the case of natural resources, allowance for depletion, as permitted by rules and regulations of the Comptroller.

(2) With respect to any emergency facility as defined by the Federal Revenue Act applicable to the taxable period, provided that the taxpayer has included in gross income any payments by way of reimbursements for the cost of such emergency facility, an allowance under subparagraph (1) hereof, or, at the election of the taxpayer, an allowance for amortization deduction as permitted by rules and regulations of the Comptroller.

226(b). Unless otherwise required by this sub-title, or by regulations of the Comptroller, taxpayers reporting their income on a cash basis shall account only for amounts actually or constructively received and actually expended, and taxpayers reporting their income on an accrual basis shall account for amounts earned, whether received or not, and liabilities incurred, whether paid or not. In the case of the death of a taxpayer, the net income for the taxable period in which falls the date of his death shall be computed by including in income amounts accrued up to the date of his death if not otherwise properly includible in respect of such period or a prior period, and there shall be allowed as deductions amounts accrued up to the date of his death if not otherwise properly allowable in respect of such period or a prior period.

228(c). If the status of the taxpayer changes during the taxable year, the amounts allowable under (a) and (b) hereof shall be apportioned in accordance with the number of months before and after such change.

239. *Verification of Returns.* Every return filed by an individual shall be signed by the taxpayer and every corporation or partnership return required by this sub-title shall have annexed thereto a statement duly signed by the President, Vice-President, Secretary, Treasurer, Assistant Secretary or Assistant Treasurer, or a statement duly signed by a member of the partnership, or a statement duly signed by the receiver or trustee for a partnership or corporation in liquida-